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REPUBLICAN RIFT OVER LEADER'S POST BY STEVE SZKOTAK CONCORD NH

Months after Republicans snared every major office in New Hampshire, the party is squabbling over who should lead the GOP in an era of political prosperity.

The leadership battle pits Max Hugel, the former CIA spy chief and longtime party activist, against four-term Rep. Elsie Vartanian, R-Salem, the GOP's official nominee.

The key issue centers on who is better able to lead the party -- a man with ties to a regulated industry, or a woman with close ties to the Republican governor, John Sununu.

The debate also runs deeper, to factions favorable to one potential GOP presidential nominee or another likely to seek New Hampshire's coveted first-in-the-nation primary in 1988.

More than 550 members of the New Hampshire State Republican Committee will meet in Concord Jan. 24 to decide the party's next state chairman.

Hugel has made the most noise since the Republican nominating committee unanimously endorsed Vartanian for chairman. Hugel said this week he is baffled by the committee's snub of his announced candidacy.

''I can't understand it,'' said Hugel, who is chairman of Rockingham Venture, which owns Rockingham Park race track in Salem. He was especially critical of Sununu, who he accused of private indecisiveness and ''flip-flops'' in voicing his leadership credentials.

Sununu, Hugel contends, ''has caused some serious wounds and rifts in the party.'' He said Vartanian further divided the party by speaking too highly of a former North Conway representative who is a Democrat, thus offending North Country Republicans.

Hugel refers to Vartanian as Sununu's ''handpicked'' candidate, a reference she protests. Privately, Republicans concede it is a governor's right to select his choice for the party's leadership position.

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''Max is harping about the fact that the governor is supporting me, but he keeps avoiding the fact that the nominating committee also included (the state's congressional delegation),'' she said.

Vartanian said she had not ''actively'' sought the leadership post by calling on Republican leaders. ''Nobody has made any deal with me. I was aware that I was being considered,'' she said.

Hugel said Sununu told him he would have trouble supporting his candidacy because he is involved with a state-regulated industry. Hugel said he doesn't buy that reasoning, and he sees a conflict with a close associate of the governor in the party's leadership post.

''As far as I'm concerned, it's better to have a non-elected chairman,''
Hugel said. ''I think there should be a close relationship between the governor
and the chairman of the party ... but there shouldn't be a rubber stamp.''

Thomas D. Rath, a Concord lawyer and nominee for GOP treasurer, noted that Hugel has proposed bringing jai alai and greyhound racing to Rockingham Park, both of which would require state approval.

Rath maintains a party chairman should tend to ''the agenda of the Republican Party, not any other business or political agenda. I think the party chairman should only speak for the party and that person should not be colored by affiliation,'' he said.

Vartanian, meantime, has no problem with her professional and personal relationship with Sununu.

''I don't find any conflict. John Sununu has done one tremendous job with the state.'' she said.

Bobbie Hantz, executive director of the 30-member Republican state committee, said the Hugel-Vartanian contest is welcome and expected. She remembers times the GOP had trouble fielding a chairman.

''That's the irony,'' she said. ''When you're successful, all of a sudden it's worth fighting for. And when you're not, then no one wants to fight for it.''